INFORMATION LETTER

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Committee Appointments

During the Directors' meeting three new appointments were made to the Association's Executive Committee. Five members of this Committee had been named at the January Convention, but Chairman Howard T. Cumming resigned when he was elected First Vice President, and a sixth member of the Committee was to be named from the 1948 Board of Directors which had not, at that time, been designated. This called for two new appointments, and in order to create a committee of seven, in keeping with the traditional odd number of appointees, it was necessary that three more be named. The full roster of the Executive Committee is now as follows:

Executive Committee

H. E. MacConaughey, *Chairman*, Hawaiian Pineapple Co., Ltd., San Francisco, Calif.
Luke F. Beckman, The Beckman & Gast Co., St. Henry, Ohio
F. Lowden Jones, Walla Walla Canning Co., Walla Walla, Wash.
N. J. Lau, Clyman Canning Co., Clyman, Wis.
R. G. Lucks, California Packing Corp., San Francisco, Calif.
G. B. Morrill, Jr., Burnham & Morrill Co., Portland, Maine
G. C. Scott, Minnesota Valley Canning Co., Le Sueur, Minn.

The 1948 Convention Committee was not appointed by President Rutz at the time other Association committees were named and announced in April. The personnel of this committee must be selected from members living reasonably near the Convention city in the interest of more effective activity, and the Convention location had not at that time been determined.

Convention Committee

William Kinnaird, *Chairman*, Traverse City Canning Co., Traverse City, Mich.
Henry Cannon II, H. P. Cannon & Son, Inc., Bridgeville, Del.
Robert A Friend, Friend Bros., Inc., Melrose, Mass.
Robert W. Mairs, H. J. McGrath Co., Baltimore, Md.
Harold F. Patterson, The Lyndonville Canning Co., Lyndonville, N. Y.

Board Meeting Centers Around Increased N. C. A. Activities

Increased Association activities were discussed and approved by action of the Board of Directors at its two-day meeting May 27 and 28 at Hotel Shoreham, Washington, D. C. On recommendation of the Administrative Council, which had met May 26, the Directors revised the 1947 budget to provide an additional $10,000 for the building and operating fund to provide facilities for increased activities, $30,000 additional to expand the program of the Home Economics Division, an additional $1,000 for the Fishery Products Division, and an increase of $2,500 for the Information Division to help meet the costs of greater printing volume required to report increased activities through the columns of the INFORMATION LETTER. Expansion in other departments of N.C.A. work, not necessarily involving added costs, also was reported to the Directors.

Expanded Program of Home Economics Division Approved

Chairman W. E. Beach of the Association's Home Economics Committee, presented the proposed plan for the expansion of the work of the Home Economics Division. (See full report on page 266.) The new program calls for additional personnel; more personal contacts with home economists, school teachers, dietitians, and other professional people through more extensive travel; increased publications and bulletins; and more publicity and advertising and other projects designed to increase the acceptance and use of canned foods.

The increased program proposed for the Fishery Products Division is set forth in a report of the Fishery Products Committee which met at Association headquarters May 26. (See page 268.)

Increased Activities in Public Relations Discussed

The matter of increased activities in the field of public relations also was discussed and approved. Chairman Howard T. Cumming of the Association's Public Relations Committee reported on the meeting of his committee and of a subcommittee named to consider the Association's public relations program. The Directors passed a motion to the effect that

1. The life of the special Public Relations Advisory Committee be continued until the annual meeting in Atlantic City in January, 1948.

2. That the Committee be authorized subject to the approval of the Executive Committee to employ Public Relations Counsel when

and if it is convinced that the recommendations of the Committee can be properly carried out.

3. And that the recommendations of the Committee be approved.

Part of the Public Relations report was devoted to a statement by E. W. Montell, Chairman of the Raw Products Committee, on grower-canner relations. This is reproduced in full on page 267.

A full report also was made of the increasing activities of the Statistics Division. This report made by Milton E. Brooding, Chairman of the Association's Committee on Statistics, is carried in full on page 269.

Rutz Commends Directors

President Emil Rutz, in his opening remarks to the Board (see text, page 265) at the Tuesday morning session, commended the Directors for devoting their time and efforts to the affairs of the Association and the industry and urged them to continue to exercise a complete freedom of voice in the discussion of the Association's activities.

Following his introductory remarks, Mr. Rutz called past president Fred A. Stare to the platform, and after a commendation of Mr. Stare's outstanding services as President of N.C.A. for two terms, President Rutz presented Mr. Stare with an engrossed scroll which had been authorized at the last National Canners Association Convention. (See story on page 265.)

Mr. Stare, as Chairman of the Finance Committee, presented to the Board statements covering the financial condition of the Association as of May 1, 1947, together with income and expense statements for the first four months of this year. Comparisons of expenses were made against the budget and the increases as reported, were requested.

The matter of label allowances was taken up at the Tuesday morning session, with Chairman John Baxter of the Conference Committee calling on Association Counsel H. T. Austern for comment. Mr. Austern warned the Directors that label allowance agreements are an integral part of pricing and are therefore not a proper subject for Association activities. (His full remarks on label allowances are reproduced on page 270.)

Before the Directors adjourned for the luncheon session, they heard C. W. Kitchen, Executive Vice President of the United Fresh Fruit and Vegetable Association, discuss the aims and provisions of the Agricultural Marketing and Research Act with regard to its effect on the canning industry. (Full text of Mr. Kitchen's discussion may be found on page 276.) Mr. Kitchen said that the Agricultural Marketing and Research Act applied to all agricultural commodities and most agricultural interests, however, canners or farmers should not expect too much from the programs under the Act at present, since most of them were long term developments and would require considerable study, exploration, and research before any great amount of tangible results could be seen. He stressed the point that the Act in no way compelled anyone to do anything; it was purely voluntary and that all the programs under the Act would be operated strictly on the cooperative voluntary plan. Mr. Kitchen said that Part 2 of the Act would call for extensive studies on marketing and distribution and that every phase of marketing would be gone into from the time the commodity is harvested until it reaches the consumer.

Mr. Kitchen made particular reference to the fact that the Agricultural Marketing and Research Act would not necessarily wipe out any of the present price support programs on the agricultural commodities, but that it was hoped that through studies made under the Act, programs might be set up in the future that would not ultimately eliminate government price support programs.

E. A. (Woody) Meyer followed Mr. Kitchen and briefly summed up the work now being done by the various commodity advisory committees under the Agricultural Marketing and Research Act. He commended the members of the committees for the effort they had devoted to the programs under the Act thus far, and said that the U. S. Department of Agriculture would not undertake any future work until a full study of the various programs had been made by these respective commodity committees and approved by the overall 11-member advisory committee which was set up under the Act to work with the Secretary of Agriculture in carrying out the provisions of the Act.

Tuesday Luncheon Session

At the luncheon session Tuesday, the Directors heard Secretary of Commerce W. Averell Harriman explain that the foreign relief programs would take little or no canned food products. (An analysis of Mr. Harriman's speech appears on page 275.) Mr. Harriman said, "I know that some of you men have been wondering whether our relief programs and the food shortage abroad would help you move some of your products which may have been backing up. *I don't believe that you can expect much help from that quarter as an immediate source of demand.*"

Secretary Harriman stated further that he did not see any immediate expansion of *commercial exports* of canned foods. The cabinet official said that a certain amount of canned meat may go to shortage areas in various parts of the world; however, the outlook for enlarging the regular export canned food market was not bright at this time.

"In the long run," Mr. Harriman emphasized, "there is little chance of maintaining our present level of exports unless we develop ways and means of consuming more of what foreign countries produce."

Tuesday Afternoon Session

Topics on the Tuesday afternoon program of the Directors included reports of the Building Committee by Chairman G. Sherwin Haxton; the Western Laboratory Site Committee by W. E. Beach; the Scientific Research Committee by Chairman H. N. Riley (reproduced on page 271); and a report on claims procedure by Forest F. Heaton, Director of the Association's Claims Division. (See page 273.)

Following Board discussion of the subject of can size simplification which had been led by Chairman Ivan Moorhouse of the Simplification of Containers Committee, it was urged that the committee hold a meeting at an early date and proceed with the work of surveying the industry and developing recommendations for voluntary can standardization.

Arbitration Practices

Association Counsel H. Thomas Austern reviewed the history and present status of the problem of arbitration. He pointed out that the Association had early adopted the policy of approving arbitration boards composed of brokers and distributors to arbitrate disputes between canners and their buyers. These boards operated satisfactorily until the 1930's, but during the decade from 1930 to 1940 arbitration procedures largely fell into disuse because of the buyer's market. From 1940 on arbitration was seldom used because of the great demand for canned foods, but recently a demand for arbitration has arisen, he stated.

The arbitration clause recommended by the Association for canning sales contracts several years ago provides that arbitration of disputes under the contract shall take place under rules and before arbitration boards approved by the Association. From 1937 to 1940 Association Counsel worked on a complete revision of the arbitration rules which had been in effect for many years and which had proved unsatisfactory in some respects. Because of the outbreak of the war, however, these revisions were never adopted by the Association and the allied associations of wholesalers and distributors. Mr. Austern stated that in view of the current demand for arbitration, work on the revision of these rules would again be undertaken by Association Counsel. At the close of Mr. Austern's discussion the Board adopted the following resolution to authorize approval of the current joint arbitration boards by the Executive Committee:

Resolved, that the Executive Committee of the Association be and hereby is specifically authorized to act for the Board of Directors in approving on behalf of the Association the personnel of the joint arbitration boards to serve as arbitrators in controversies concerning contracts covering the purchase and sale of canned foods.

Also on Tuesday afternoon, pursuant to a recommendation of the Legislative Committee, Chairman John F. McGovern requested, and the Board approved, the appointment of a Special Committee to canvass the views of the War Department with respect to their future policy for the procurement of canned foods. The Committee appointed by President Rutz, consists of the following: J. B. Weix, Chairman, John L. Baxter, John F. McGovern, George W. Foster, and Milton E. Brooding.

Chairman McGovern's report for the Legislative Committee was made at the Wednesday morning session and it reviewed the current status of bills and measures affecting the canning industry, all of which have been reported in recent issues of the INFORMATION LETTER. Mr. McGovern's remarks were supplemented by Association Counsel H. T. Austern.

Policy on Canned Food Surpluses

Secretary Carlos Campbell led a discussion of the Association policy regarding canned food surpluses. Mr. Campbell pointed out that periodically when a high inventory condition occurs, the Association receives numerous requests for action. He asserted that the Association policy always has been based on the general objectives of N.C.A., namely, to do everything possible to promote the overall use of canned foods and to expand the demand for these products, but not to participate in efforts to sell the stocks of any individual canner. Instead the staff does everything within its power to acquaint the membership with overall outlets for canned foods and to inform various agencies through its statistical reporting and other means that canned foods are available and desirable for procurement programs.

Laboratory participation in the Food and Drug standardization programs was the subject of an address by Dr. E. J. Cameron, Director of the Washington Laboratory (See full text on page 272), supplemented by remarks on the subject by Mr. Austern.

Chairman George W. Foster of the Association's International Trade Committee delivered a report on the Association's service in that field (See page 274), and the Directors voted to have this work continued until January, 1948, and the final item of business, before the Directors adjourned, was a report on the 1948 Convention by Chairman William Kinnaird of the Convention Committee. (This report appears on page 274.)

OPENING REMARKS TO THE N.C.A. BOARD OF DIRECTORS

By Emil Rutz, President

It is not only gratifying to have so full a representation at this Board meeting but also to be able now to center the discussions on the work of building a postwar economy for the canning industry. Gone are government restrictions and regulations, which, at one time—of necessity—occupied so much of our time and concern. With the exception of sugar rationing and some minor restrictions on tin plate, we are again able to determine our course in the freedom and responsibility of individual initiative as business men and in cooperative effort as parts of our great organization.

As you may observe from the agenda before you, our problems and plans are many and I invite your considered judgment and cooperation in making decisions which will spell further progress in our joint efforts. I give a special welcome to the newly-elected Directors who are here for the first time. As you know, the By-laws provide that "the business and affairs of this corporation shall be managed and controlled by a Board of Directors." In other words, with you reposes the authority for final decision. All committees are advisory to the staff, the officers, and the Board.

It has become customary, and properly so, for the Administrative Council, consisting of the Finance Committee, the Executive Committee, and the President, First Vice President and Second Vice President, to consider the matters coming before the Board and to make such recommendations as are deemed fitting. As you are also aware, other committees are perusing and studying certain specific matters coming within their purview and preparing their recommendations for the Board's action. This has been found to be the efficient and most satisfactory way to handle the Association's affairs. Obviously, were it not for the preliminary work of the Council and the committees, the Board meetings would require many more days of deliberation in order to reach decisions.

But don't forget, gentlemen, the decisions lie with you. You are free to ask for any clarification or take issue with any recommendation. I hope you will exercise your full prerogatives during the meetings, express yourselves freely, give the other Board members the benefit of your thinking, and become fully informed before voting on any motion.

Past President Fred A. Stare Presented Engrossed Scroll

In keeping with the established custom of the Association, President Emil Rutz presented an engrossed scroll to Past President Fred A. Stare in commemoration of Mr. Stare's service as president of the National Canners Association for two terms. The presentation took place at the Tuesday morning session of the Board of Directors in the West Ballroom of the Shoreham Hotel.

President Rutz praised former President Stare for his efforts in guiding "the destiny of the Association during two of its most critical years—those encompassing its transition from war to peace; from old into new programs of endeavor. We were fortunate to have you at the helm," President Rutz continued. "The leadership needed in that period called for a man who was wise in the years of his experience and at the same time youthful in spirit and attitude. In

the highest measure, you possessed and exerted these two characteristics, to the benefit of the Association and the industry."

Official text of the scroll received by Mr. Stare follows:

"Only in critical times has the Association called upon a man to serve as President for two terms.

"Fortunate for the canning industry has been the willingness of Fred A. Stare to shoulder the responsibilities of leadership in the difficult transition from war to peace. His achievements in office are so manifest as to require no elaborate review. They were builded alike on his wide practical experience, on his sound judgment, and his abundant giving of time and effort to every task. Yet his qualities of leadership, so widely acknowledged, are not easily impounded.

"Fred has the simplicity that goes with greatness, the gentleness that derives from character, and the firmness than rests on complete integrity. The Association formally records its gratitude for unselfish and effective performance. The individual canner rejoices in the privilege of his friendship."

Committee Reports

PLAN FOR EXPANDING HOME ECONOMICS DIVISION WORK

By W. E. Beach, Chairman, Home Economics Committee

At the annual meeting of the National Canners Association in Atlantic City last January, the Administrative Council recommended "that the Home Economics Committee, should recommend to the May meeting of the Board of Directors, specific plans for the expansion of the work of the Home Economics Division." The Board of Directors passed the Administrative Council's recommendation.

The Home Economics Committee of 1946 then met and made recommendations to be handed on to the 1947 Committee for consideration. Through considerable correspondence and a final meeting in Chicago April 21 attended by seven members of the 1947 Home Economics Committee, the Director of the Division, and President Emil Rutz, ex-officio, the Committee planned three possible programs of work on three budget levels.

They approved the recommendation of a program of work based on a $75,000 budget for the year 1947 and a carefully studied plan has been formulated. The program is planned to allow its being carried out in a thorough manner by the present Home Economics Staff. It is based on the following activities and expenditures:

Salaries

The salaries for existing personnel were approved at the January meeting for the then existing personnel. Since that time, with the approval of the Secretary, one additional member has been added to the staff at a salary of $3,600 per year.

Travel

This figure has been set at $5,000 and includes the expense of business trips, attending professional and canners conventions, special conferences with leaders in foods work, such as magazine and newspaper writers, radio broadcasters, educational leaders, school lunch supervisors, dietitians, etc. In other words, this money is spent by the staff in meeting with the leaders who influence consumer opinion.

New Publications, Reprints, Etc.

The major objective of the Home Economics Division of the Association is to increase the use of canned foods. Several different approaches are taken. The contacts made on business trips is one. Another of major importance is through the use of printed information.

New Publications: The issuance of new publications during the war years was curtailed but must now be renewed. *First*, it is of prime importance to reach the college and university groups who instruct the future teachers, and other professional people such as doctors, hospital dietitians, and nurses.

The Association's laboratory is planning a publication giving technical information as well as practical food value tables and information about canned foods. The results of the recent nutrition research of the National Canners Association and Can Manufacturers Institute will form the basis for the book. The major expense will be borne by the laboratory, the Home Economics Division however is assisting with this publication, and will require sufficient copies to place in the libraries of colleges and universities. Copies will also be furnished heads of nutrition departments in the schools teaching nutrition courses.

Because of its authentic technical information about canned foods the book will serve two purposes. First it will be useful in college teaching, and secondly will play a part in giving over-all prestige to other publications which will be issued by the Home Economics Division. Four thousand dollars has been estimated for this distribution.

Classroom Teaching Aids: New classroom teaching aids and information about canned foods must be furnished for high school and secondary classroom use. The Board, in January, approved this publication. The cost has been increased in this proposal to allow the inclusion of additional data. Included in the budget is $7,450 for 300,000 copies of this modern classroom publication about canned foods. The staff of the Home Economics Division has held conferences with teachers and educational leaders in all parts of the country visited during the past five years, gathering information on the type of material which they use and desire.

Family Recipe Book: Just as is the case with other industries and their products, your National Association is turned to as a center of information regarding canned foods. Many of the requests are for recipes for canned foods. A new family-serving recipe book is now at the printers. The recipes were carefully developed in the Service Kitchen and constitute a specific aid in producing good meals using *canned* foods (which should help repeat sales). Eight thousand, four hundred thirteen dollars, and twenty-five cents is included in the budget for the 100,000 copies. This was approved at the January meeting.

Reprints: The budget allows for reprints of three publications and was approved in January. They include a family recipe book, the leaflet "Nutritive Values of Canned Foods," and reprints of the editorial advertisements (copies of which you received with your INFORMATION LETTER). These reprints were offered for classroom use which resulted in requests totaling approximately 650,000 copies up to May 1. The total allowed for the reprints is $2,858.75.

However, no allowance has been made for either new publications or reprints of the *quantity* food service recipes, as there is a sufficient supply on hand of both the new book for serving 50, and the school lunch book for serving 25 and 50. Since the publication of this latter book, about 250,000 copies have been requested for single copy use in school lunchroom services.

Professional Publicity

Because of the general acceptance by the canning industry, and because of the wide use made of the nutrition information in professional fields, when furnished in professional magazines, as mentioned above, added use of this media is planned. Buying space in professional magazines and emphasizing the place of *canned* foods in nutrition is one of the best ways to reach many busy professional people

who haven't time to read special booklets and leaflets. (Witness the material that comes over your own desks.) The Home Economics Committee directed an analysis of publications in professional fields, circulation, and costs with these results.

A series of six full-page insertions is proposed using seven professional magazines. Three issues of the series would appear in 1947 starting in October. The remaining three of the series would appear the first three months in 1948. The overall cost of the series of six insertions in the seven magazines is $17,964. The budget allowance of $8,982 covers the first three of the series to be run in 1947. However, approval of the entire series will be needed before it is started. The Publications Committee of the National Canners Association-Can Manufacturers Institute Research Committee, of which the Director of the Home Economics Division is a member, has agreed to review the nutrition material as it is prepared for the series.

The magazines included are: *Journal of the American Medical Association, Registered Nurse, Journal of American Dietetic Association, Journal of Home Economics, Practical Home Economics, Forecast* (*Home Economics Magazine*), and *What's New in Home Economics.*

Under the heading "Professional Publicity," the budget also includes two items passed in January—the last three of the series of nutrition advertisements run in "*What's New In Home Economics,*" and $3,196 for placing notices of our new educational material in professional magazines. These magazines reach teachers of nutrition and homemaking who send in coupons for the required number of copies needed for the canned foods lessons.

Photographs

The photograph allowance has been increased to $2,000. Food photographs are furnished to newspapers with news releases, to magazines for special articles, and for other publicity work. The photographs are relatively inexpensive since the work involved is done by the Home Economics staff at headquarters. The increase is included to allow for additional special releases which have been planned by the Division. In the year ahead it may be advantageous to send out special releases from time to time. Additional releases and photographs are also planned for individual uses, such as *syndicate* food columnists who prepare *one* column to be used in *numerous papers* over the country. Several magazine and special articles are being planned that may require food photographs.

Operating Expenses

The usual operating expenses have already been approved by the Board in January.

Contingency Reserve

A contingency reserve of $2,000 has been added for emergency use such as change in printing costs of materials or unexpected requirements of reprints, etc.

The total budget then includes:

Salaries	$19,100.00
Travel	5,000.00
New publications, reprints, professional publicity, photographs and operating expenses	48,900.00
Contingency reserve	2,000.00
Total	$75,000.00

This is $30,720 more than the budget passed at the January meeting of the Board of Directors. The increases are noted under the heading *Salaries*, because of the addition of another home economist. Increases also appear under *Travel, New Publications*, and *Professional Publicity*. The larger increases appear under the latter two categories.

The Home Economics Committee in planning this program felt that the work of the Home Economics Division is a vital factor in increasing *acceptance* and *use* of canned foods. Each activity planned in this program has been directed toward the accomplishment of these results.

The canning industry is again entering into a competitive phase of business when this type of work can be most effective.

PROGRAM FOR IMPROVING CANNER-GROWER RELATIONS

By E. W. Montell, Chairman, N.C.A. Raw Products Committee

When the Association's Public Relations Committee met in Chicago on April 22 to discuss the Association's work in the field of public relations, among the subjects discussed at the meeting was the work now being done on grower relations. The suggestion was made that possibly this field of endeavor should be given more emphasis; therefore, in order to consider how the industry's relations with growers might be improved or expanded, the members of the Raw Products Committee were asked to make concrete suggestions as to how this might be done.

Before considering expansion of this field of activity, it might be advisable to review briefly that part of the work of the Raw Products Bureau which has been directed primarily toward improving canner-grower relations. The former director of the Bureau, Dr. Charles G. Woodbury, was largely responsible for the development of canners and fieldmen's schools at many of our agricultural institutions. Since the fieldman is the main contact between the canner and grower, the programs at these schools have been planned to make the fieldman better qualified to "sell" ideas to the farmer and help him in the production of his crops. Wider grower participation in some of these schools has been brought about by awarding prizes for performance records.

The Bureau has also done a good deal of indirect work designed to improve canner-grower relations through contacts with the staff members of experiment stations, especially extension specialists. In many cases it has been necessary to "sell" the experiment station workers or extension agents on the fact that the interests of the canner and grower did not conflict and were often the same.

Recently the Director of the Bureau has addressed numerous meetings of growers on production methods, and has pointed out the reason why canners' fieldmen have asked growers to follow certain practices. The Bureau in past years has prepared a series of bulletins containing information on agricultural research as revealed in experiment station reports, with the object in view of aiding the canners production departments to do a better job with their growers.

Type of Fieldmen Needed

The fieldman is the key man in contact between the canner and grower. Field personnel should therefore be men of the type who will command respect in the community as qualified canner representatives. Fieldmen should not only have a farm background so that they can talk the farmer's language, but they should also be well informed on improved or modern agricultural techniques through specialized training either in special short courses or agricultural colleges. Fieldmen should also be selected for "sales personality," as their work is primarily selling contracts for the production of cash crops, good production practices, insect and disease control methods, and raw products quality control. In other words, it is suggested that the whole matter of canner-grower relationship depends very largely on field personnel and that they should be carefully selected and given specialized training.

It is further suggested that there is need for more intensified and continual training of field personnel, not only to provide them with more fundamental information of a technical nature but to train them in the duties and responsibilities of a successful fieldman. Some of this type of training has been done in the canners and fieldmen's schools. Experience has shown, however, that the programs of these schools, lasting from one to three days, should be confined largely to general discussion of timely topics of immediate application and they therefore do not provide opportunity for study of fundamentals of production and improvement of grower relations. There is need for a fieldman's

short course where selected individuals could be given such specialized training. To be most effective such short courses should be set up on an annual three-to-four week basis, with the subject matter rotated so that a repetition of the course at the end of four years would take care of the turn-over in personnel.

Contracting

Generally speaking, the better class of farmer likes to plan ahead on his crop program. The period in the Fall, before the canner is in position to establish definite prices, affords the field staff and the better type of grower an excellent opportunity to sit down together and plan the next season's production program. This practice is being followed by some canners on an open price contract and has enabled their field force to put in more time with the better farmers well in advance of rush work.

Field Services

It is believed that grower relations may be enhanced through fieldmen's visits to growers at times when their purpose is to be of assistance rather than to "get something." The gathering of soil samples by the fieldman, informing the grower of the results of the soil tests, and making fertilizer recommendations helps considerably. In the case of some crops the fact that the fieldman must go over the proposed land in order to gather the sample of soil for testing frequently enables him to advise the grower against planting in a certain portion of a field and helps in the selection of better land. Having the fieldman help the grower by showing him how to set drills and planters as well as directing him on proper rates of planting and spacing and when to plant is a part of this activity. Regular field inspections offer an opportunity to advise growers relative to weed control practices, cultivation, insect and disease control recommendations. All these are important factors that help the grower produce better yields and better quality, thus making canning crop contracts more profitable for him.

Custom Work

The loan of special planters or drills or tillage equipment for performance on a fee basis, dusting and harvesting services, etc., are well established as services offered. However, there is a point in relationships here, in that it is essential that the canner keep abreast of, and be in a position to offer modern labor-saving equipment to show the grower that the canner is interested and willing to cooperate toward lower production costs. This is particularly true of specialized equipment for peas and corn.

Growers News Letters

A few canners are putting out regular messages of interest to growers on the year-round basis. A regularly mailed, once-a-month printed or mimeographed message from the canner to the grower can be of considerable value in improving grower relationships. A message of general interest to farmers in the locality, received by the farmer in the dead of winter, long since his last visit with the fieldman, can do a great deal in building good will. Regular messages sent out each month could properly and advantageously cover such subjects as seasonal crop conditions and crop reports, the names of high-yielding growers and little stories on how they did it, advice on fertilizers such as grade recommendations, warnings against shortages, etc., weather reports during critical growing or harvesting periods, and suggestions and reports on terracing, strip cropping, grass waterways and erosion control measures, "personals," fieldmen's activities, descriptions of the canner's trial ground program and data on same, excerpts from experiment station bulletins and timely releases, etc. Such letters need not be expensive. They may be dressed up with humorous line drawings if in mimeographed form, and can do a big job in helping fieldmen sell better crop production methods.

Another way of reaching growers is through the rural press. A press favorable to the canner may be obtained by insertion of advertisement relative to contracting and the canners agricultural program. Local editors also appreciate receiving timely information concerning local crop conditions.

Growers' Educational Meetings

Many canners hold educational meetings during the winter months with their contract growers, believing that the time and energy devoted to such meetings is well spent. It is suggested that several canning companies in certain areas might hold joint meetings with their growers, and that the larger attendance might induce the agricultural colleges and industry to send good speakers. Farmers like to eat and be entertained, and a good lunch at noon, accompanied by a short musical program helps promote friendly relations.

Closer cooperation of field staffs with the county agricultural agent and the extension division and experiment station is highly desirable. Since the fieldman cannot be a specialist in soils, fertilizers, horticulture, entomology and plant pathology, he should take advantage of the services of these specialists, not only at educational meetings but also by calling on them to check crop conditions with him during the growing season. Utilizing the services of these specialists will enable the fieldman to issue timely notices to his growers, either through direct contact or through special bulletins or a news letter.

Farm boys and girls are the future growers of canning crops and their interest in these crops may be fostered by canner-sponsored 4-H and F.F.A. club projects. It is suggested that State and regional associations could reward these boys or girls who excel in the various projects within the States, by sending them to the National Canners Convention where they would be awarded suitable medals or prizes.

It is well recognized, of course, that canner-grower relations is a highly specialized field of public relations activities, requiring not only a sound agricultural background of knowledge and experience but an acute perception of how growers think and operate. As has been pointed out, the Bureau is already concentrating a large part of its effort toward improving the quality of crops grown for canning, although much of this work must necessarily be done quietly and unostentatiously through scientific personnel in state and federal agricultural research agencies. However, if the industry as a whole, or individual canners, conclude that some of the ideas or suggestions made by the Raw Products Committee for improvement of canner-grower relations should be put into operation, the Bureau will be glad to be of help, wherever possible, although it has already been participating in canners school programs, growers' educational meetings, etc. Meetings with agricultural production departments of canning companies to discuss this entire subject might be highly desirable and could be arranged.

The Bureau might also be of further help in furnishing material for growers' letters, if canners wish to make use of such a medium for improving grower relations. Development of an over-all canner-grower program would require active cooperation between the Bureau and the production departments of canning companies. The program itself would have to be carried out by representatives of canners' field departments.

REPORT OF FISHERY PRODUCTS COMMITTEE MEETING

By E. M. Brennan, Chairman

The Fishery Products Committee, at its meeting in November, 1946, adopted the policy of maintaining close and effective contact between its members and the members of the Board elected to represent the canned fishery products segment of the industry. To carry out this policy the Committee met in Washington on Monday (May 26) of this week, three of the six Board members being present.

The members of the Fishery Products Committee are indeed gratified

that the Board of Directors has recognized that there are special problems in this field not common to the canning industry generally, requiring specialized attention.

The Committee reviewed briefly the activities of the staff of the Fishery Products Division during the past year and recommended that the staff continue along the same general lines.

The Committee considered whether the agencies of the Government charged with the handling of fishery matters were functioning satisfactorily, whether in the field of international affairs, regulatory matters, or any other activity relating to the fisheries. The Committee expressed itself as being completely dissatisfied with the present governmental structure, but is prepared to make no recommendation at this time with respect to changes and has directed the staff of the Division to accumulate the suggestions and ideas of all groups within the industry for further consideration by the Committee at its next meeting.

The Committee also recommended that as a matter of policy it should hold meetings at the time and place of the Association's Annual Convention.

The Committee wishes to endorse the policy embodied in a resolution adopted by the Board of Directors at the last Convention that Government procurement of canned foods be continued on a negotiated rather than an "advertised bid" basis. It feels that this method of procuring needed supplies of fishery products for the use of Government agencies is more satisfactory from the standpoint both of the industry and the Government.

The Committee also desires to inform the Board that it is strongly in favor of the position of the industry generally with respect to the so-called "Kee-Kilgore Bill" to permit expenditures for waste disposal to be deductible from income tax. The Committee understands that the bill, in its present form, is not satisfactory to the industry and that proposals with respect to amendment or change will be made.

While the Committee is not opposed to Social Security legislation as such, it does feel that both the old age benefit provision and the unemployment insurance provision of the Social Security Act should not be made applicable to maritime workers for various good and practical reasons.

The Committee considered other matters of interest to the fish canners but does not wish to make any recommendations to the Board at this time.

Statistics

REPORT OF DIVISION OF STATISTICS PROGRAM

By Milton E. Brooding, Chairman, N.C.A. Committee on Statistics

Summary of Work to Date

Our 1946-47 stock program has been completed through the May reports. Included have been stocks on the following twelve (12) commodities: Asparagus, green and wax beans, beets, carrots, sweet corn, green peas, red pitted cherries, tomatoes, tomato juice, tomato catsup, and sauerkraut. The work of compiling the vegetable packs has been completed and the annual printed bulletin was issued last Friday. It is expected that the fruit pack bulletin will be issued about the middle of June.

Summaries of the supply situation have been issued for green peas, sweet corn, green and wax beans, tomatoes, and tomato juice. These were sent to canners of the commodities and also carried in the INFORMATION LETTER. Statistical and economic material was prepared in connection with the hearings on Marketing Agreements.

The following information is now being included in the INFORMATION LETTER, in addition to that previously carried: Index Summary, Weekly Carlot Shipments of Fresh Fruits and Vegetables, Monthly Exports and Imports of Canned Foods, Monthly Sugar Statistics, Monthly Figures of Meat used for Canning, and a Monthly Summary of Wholesale and Retail Grocery Sales.

Proposed Stock Program

At the January meeting of the Committee it had been planned to hold another meeting prior to the middle of May to discuss the stock reporting service plans and the USDA's market research program. At that time the Department of Commerce planned to continue their program of pack and canner and distributor stock reports through June on the extensive list of commodities. However, this overall program has been discontinued three months earlier than planned, although they are continuing distributor stock reports on the major commodities. Similarly, the USDA is not in a position to discuss a specific program of market research. For these reasons the Committee did not meet as planned but questions relating to the stock program have been handled by correspondence. Depending on developments, a meeting of the Committee on Statistics may be called in the next thirty (30) days to complete details of the program.

A survey was made to determine the products for which canners wanted a pack and stock reporting service, including distributor stocks. This questionnaire was sent to fruit and vegetable canners, except those in California, Washington, Oregon, Hawaii, Texas, and Florida. In these areas we requested the State or Regional Associations to ascertain canners' viewpoints. Approximately 600 replies were received out of 1,700 sent to States other than those mentioned above. About one-half of the replies indicated that pack and stock reports were desired on additional commodities to those currently included in the N.C.A. statistical service. The other half wanted reports only on all or a part of those commodities currently covered by our service. In general, canners replying indicated a preference for annual pack reports and monthly canner and distributor stocks. Although definite commitments have not been made by all of the regional Associations involved in the fruit and citrus stocks, it appears that information on canner holdings will be released to tie in with any program of distributor stocks undertaken by the Department of Commerce provided the distributor reports can be issued within a four weeks log.

Because of prospective reduced appropriations the Department of Commerce is now obtaining distributor stocks only on 14 commodities. The future of these reports after July 1 is still uncertain. We have been advised that the Department of Commerce intends to discontinue the distributor stock reports unless their appropriations are increased above the House action. Every effort will be made, in line with the canning industry's wishes, to insure having this information continued.

The industry's stock program can be divided into two parts for convenience of discussion, viz., (1) products for which both canner and distributor holdings may be collected and (2) products for which only canner stocks will be available. The proposed program was developed on the assumption that distributor holdings will be reported for the major products. If the distributor holdings are not reported, the proposed program at the canner level is subject to reconsideration.

For the first group, stock reports are proposed monthly except during the packing season. Packs will be reported on an annual basis except for citrus and possibly pineapple. The products for which we hope canner and distributor stocks will be available are: Apricots, fruit cocktail (including fruit salad and mix), peaches, pears, pineapple, pineapple juice, green and wax beans, green peas, sweet corn, tomatoes, tomato juice, grapefruit juice, orange juice, and blended citrus juice. On the above fruits and pineapple juice the stocks will be compiled by the Canners

League of California, Northwest Canners Association, and Pineapple Growers Association of Hawaii for those areas and the N.C.A. will compile stocks for other areas. It is proposed to issue the fruit reports as totals in terms of standard cases with no breakdown by grade or can size. In the case of citrus juices, totals for the entire country, based on reports of the Florida, Texas, and California Associations, are proposed to tie in with the distributor reports.

For the five vegetables listed above, it is proposed that the NCA compile stocks except in the case of California tomatoes and tomato juice which will be obtained by the Canners League of California. These reports will follow the same form as currently except that there is a question of the grade and can size breakdown being available for California tomatoes.

The second group for which there will be only canner stocks and packs, as the Department of Commerce does not contemplate compiling distributor stocks, include the following: asparagus, lima beans, beets, carrots, red pitted cherries, tomato catsup, tomato chili sauce, spinach, other greens, pumpkin and squash, apples, applesauce, sauerkraut, tomato sauce, dry beans, baby food, and spaghetti.

The proposal, on products for which distributor stocks are not now available, is for stocks to be collected at various times, generally less frequently than monthly. Packs would be compiled on an annual basis except for non-seasonal products. This basis is proposed in order that the work on canners in reporting to us will not be too burdensome. Thus it is believed that we would receive replies from canners more promptly than if the program included reports more frequently and on more products. If canners will support this program, additional reports can be added in the future as conditions warrant. The replies received from the questionnaire indicated that there is support for a stock program covering some additional commodities and for reports monthly rather than as proposed above. However, it appears desirable to hold the number of reports to a practical minimum with provision for future expansion in accord with the industry's needs rather than undertaking too extensive a program at this time.

The proposed addition to the stock program will involve collection of packs for tomato chili sauce, tomato sauce, dry beans, and spaghetti not previously covered by our pack reports.

The proposed program will involve an added work load on the Division. It is proposed to handle this program with the present personnel, and with part-time help as necessary, unless future experience indicates a need for increased help. This will be handled by reducing the hand work necessary through making additional sets of addressograph plates and at the expense of work on analysis and research which would otherwise be done. The proposal will involve additional expenditures for supplies and postage. Although no estimate is made at this time, the additional funds for these purposes will not be substantial.

This proposed program is to be handled in part at the expense of other work since it is believed important to develop an expanded stock program first. Other work in the general field of economics and statistics can then be developed later but it is not intended to create any impression that such other work is of lesser importance. It is possible that for the next year increased appropriations will be requested in order that the Division can proceed on other aspects of the work.

DISCUSSION OF LABEL ALLOWANCES

By H. T. Austern, N.C.A. Counsel

Throughout the years it has been repeatedly suggested by distributors, and occasionally by canners, that it might be a happy idea if the National Canners Association and the distributing associations could agree upon a uniform label allowance which might be recommended to all canners and distributors. Frequently, it has been proposed that this subject be put on the agenda of the Conference Committee. Yet consistently, counsel for this Association and counsel for the various distributors' associations have advised that any such action would be susceptible at the least to an inference that the antitrust laws were being violated.

For as you know, any agreement among sellers as to price or any part of the price is illegal. For antitrust purposes an agreement need not be written out. It may be found in a common course of action, or in what lawyers call concert of action.

Conviction is largely a matter of proof. Where a group of men, be they sellers or buyers, all do the same thing in the same way at the same time, it is always possible to infer that they have made an illegal agreement. And where such common action flows from activities of trade associations or recommendations of trade associations, both the Department of Justice and the Federal Trade Commission are likely to say that an agreement exists.

Such an agreement is in illegal restraint of trade if it affects price or any part of price. It makes no difference whether the program succeeds. It is the agreement, and not its success, which constitutes illegality.

Nor is it of any consequence that the prices, or allowances, agreed upon are only reasonable. This was made clear in the *Madison Oil* (Socony-Vacuum) case where the Supreme Court said in part:

"The reasonableness of prices has no constancy due to the dynamic quality of business facts underlying price structures. . . . Any combination which tampers with price structures is engaged in an unlawful activity. Even though the members of the price-fixing group were in no position to control the market, to the extent that they raised, lowered, or stabilized prices they would be directly interfering with the free play of market forces. The [Sherman] Act places all such schemes beyond the pale and protects that vital part of our economy against any degree of interference. Congress has not left with us the determination of whether or not * * * schemes are wise or unwise, healthy or destructive. It has not permitted the age-old cry of ruinous competition and competitive evils to be a defense * * *."

Accordingly, each of you will understand the insistence of counsel that any association, or inter-association discussion of this subject, looking to uniform label allowances, is legally not possible, and dangerous for those who participate.

Yet there is another part of this label allowance problem: The Robinson-Patman Act controls the conduct of an individual seller wholly apart from any agreement with other sellers. It prohibits any discrimination in price which may hinder, prevent or destroy competition. In plain English, this means it prohibits any difference in price among buyers which is competitively significant.

The Patman Act also provides that one seller may not pay or contract to pay for any services or facilities furnished by one customer, in connection with the sale of goods, unless he makes a like payment available on proportionally equal terms to all competing customers. There is a corollary section which prohibits the seller from furnishing any facilities, or contributing to the payment for such facilities, without doing the same on proportionally equal terms for all competing customers.

It is important for you to remember that this requirement that any payment made, or facility given, be made available on proportionally equal terms is absolute. It has nothing to do with any effect on competition.

Let us apply these legal principles to the problem of label allowances by the *individual* canner:

In the first place, a canner may make a label allowance exactly equal to the amount which he pays for the labels he places on goods of like grade and quality. To the extent that this

is a reduction in the price of the goods, it may be discriminatory but is justified by the cost saving. The amount which he pays as an allowance, or by which he reduces his price, is exactly *equal* to the amount which he saves by not having to furnish his own labels.

Viewed as a facility given to the buyer for the sale of goods, the only additional requirement is that he afford the *same label allowance* to all competing purchasers of unlabeled goods.

The next situation arises where the cost of the labels furnished by the buyer is greater than the cost of the packer's own labels on goods of like grade and quality. For legal purposes, this case may be assimilated to that where the buyer demands a label allowance which is both larger than the cost of the canner's own labels and even in excess of the cost of the distributor's private brand labels.

The amount of the label allowance constitutes a difference in price. This difference in price can not be justified except to the extent of the value of the packer's own labels which he does not use, and thereby achieves a saving in manufacturing costs. Of course, the price discrimination is unlawful only if the remaining spread is competitively significant. This in turn depends upon a number of collateral questions such as the value of the goods per dozen, marketing conditions, and the current margins in canning and in distributing. In many of the cases which have come to our attention during the past few months, I think it is quite clear that the Federal Trade Commission would consider the unjustified spread to be competitively significant. In many cases it amounts to two cents a dozen; in some pre-war instances it amounted to as much as six cents a dozen. In other words, on goods of like grade and quality, there would be an unlawful price discrimination under the Robinson-Patman Act wherever the individual canner allowed any competitively significant amount more as a label allowance than his own label cost.

Nor in these instances could the discrimination be corrected by giving the same excessive label allowance to all buyers. Whether this would be commercially feasible I do not know. But I am clear that if a canner gives a large label allowance to one private buyer and not to all other competing private label buyers, there is a clear violation of Sections (d) and (e) of the Robinson-Patman Act wholly apart from any problem of price discrimination.

But even where the same label allowance, no matter how large, is given to all purchasers of unlabeled goods, there may still be an unlawful price discrimination between packer-label and private-label goods. This is because the Federal Trade Commission will take the position in such cases that the test of "like grade and quality" bridges both the packer's own label and the buyer's label on goods of comparable grade. In other words, the Federal Trade Commission would consider together sales under both the packer's labels and unlabeled goods for private label sale. If the unjustified spread in the label allowance is competitively significant, the only legal escape would be for the packer to reduce the price of his own labeled goods by the amount of such spread.

To complete this subject, I might deal with the converse situation. Occasionally we are asked whether a canner must afford as a label allowance at least the value of his own labels. He need not do so because the Robinson-Patman Act does not require that cost savings in manufacture be passed on to the purchaser. The Act merely permits it. Thus if a canner should spend $3 for his own labels, he may if he so elects allow only $2 as a label allowance. I have used these fictitious values to illustrate this point.

Insofar as the individual canner is concerned, violation of the Robinson-Patman Act may lead to proceedings by the Federal Trade Commission. Yet many have forgotten that a private treble damage suit may be brought by the buyer who is discriminated against in price or who is not given an allowance on proportionally equal terms. Such suits are becoming more common. The rule of damage recognized in one case may be further applied. This is that the injured buyer may almost automatically recover three times the amount of the discrimination.

REPORT OF THE COMMITTEE ON SCIENTIFIC RESEARCH

By H. N. Riley, Chairman

The Committee, consisting of H. E. Gray, Harold J. Humphrey, John T. Knowles, R. E. Sanborn, G. C. Scott, E. J. Draper and H. N. Riley, with Robert C. Paulus absent, met at Washington on May 14, with the directors of the Washington and Western Branch Laboratories. Attention was given to the progress of the activities in both Laboratories, the research budget, and the need for more adequate housing of the Association's Laboratories.

Work Program and Budget

In the report rendered by this Committee at the Convention in January, some of the principal activities of the Laboratories were discussed in a general way. The Committee has since been provided with detailed outlines of the various projects anticipated for the year, and in advance of the May 14 meeting with statements on progress in the various divisions of the work. There was thus little need for discussion of details, so far as the planned activities were concerned. Progress in these fields seemed to be up to expectations and fully accounted for.

However, there is a problem presented by unavoidable expansion of certain projects or by emergency tasks which were not anticipated at the beginning of the year, but which are obviously necessary and just as obviously functions of the Laboratories. The work on the Food and Drug Standards is an illustration of this. Since our previous meeting there have been several developments which could not have been anticipated but which have made necessary additional work on collection and examination of samples in preparation for forthcoming hearings. The impact of these standards on the industry is such that work of this kind has to be done, and this means in practice that it has to be done by our Laboratories.

The Committee gave full consideration to the problem of meeting such emergencies within the framework of a budget presented and approved in advance. On the one hand it is obvious that the Laboratories, like any division of the staff, must maintain some flexibility if they are to serve the needs of the industry. On the other hand, we must keep faith with the Association in controlling expenditures according to plan. Therefore, the Committee feels that the handling of emergency work must be considered a problem of management. If it creates a total burden beyond what can be handled with available personnel and money, then some other activity, desirable perhaps but not indispensable, must be curtailed. If sufficient latitude cannot be obtained in this way, then and only then should a change in the budget be requested.

Expansion of Laboratory Activities

Proposals for expansion of Laboratory activities during the remainder of 1947 were considered in the same light. Two such proposals may be mentioned:

1. There is a growing desire in the West and Northwest for increased service on waste disposal problems. The Western Branch Laboratory has been urged to meet this desire by providing itself with a trained sanitary engineer to participate in research on waste disposal and help canners with their problems.

The Committee felt that this should be given full consideration in connection with next year's program if it cannot be handled with existing funds, but that it does not warrant recommendation of additional funds at the present time for the reasons outlined above.

2. Additional study of plans for bacteriological field service in the Mid-

west during the seasonal vegetable packs indicates that a greatly increased coverage could be obtained by putting a second mobile unit into the field. This would be in addition to the trailer laboratory on which present plans are based. This would, however, increase the expense of this project substantially.

Here again, the Committee felt that the expansion of the program, however desirable, could not be considered an emergency justifying an increase in the budget. The Laboratory was urged, however, to realize as much of the expanded program as possible by readjustment of less pressing activities.

In summary, the Committee has no recommendation for revision of the Laboratories' budgets at the present time. It does point out that the Laboratories are to some extent at the mercy of unpredictable and imperative demands for services, for which they may or may not be able to compensate by adjustment of planned activities. For that reason it may be necessary at the next meeting of the Board of Directors to ask for additional funds, but that need is not definitely foreseen now.

Building Plans

The needs of both the Washington and Western Branch Laboratories for more adequate and modern quarters have long been evident, as was pointed out in our report in January. The San Francisco Laboratory is operating in three different localities, and the Washington Laboratories are cramped in space and antique in construction.

In consequence of action taken in January, possible building sites for the Western Laboratory have been considered and one of these was discussed at length at the May 14 meeting. It was agreed that employment of an architect to prepare plans would be premature at present, but the Western Branch Laboratory will outline its needs for space and proceed as far as possible in preparation of rough floor plans before the next Annual Convention.

With respect to the Washington Laboratory, the Committee has been asked to consider whether it would be advisable to separate it physically from the other offices of the Association headquarters, possibly locating in one of the Washington suburbs. This was discussed at length with Mr. Campbell and the directors of the Laboratories. It became evident that there are many arguments both for and against this move, from the standpoint of effective operation. Since it is an integral part of the Association's overall building program, the Committee makes no recommendation on this point, but does suggest consideration of separate housing of the Laboratory in case the early construction of a new Association building is not found to be practicable.

LABORATORY PARTICIPATION IN THE DEVELOPMENT OF FOOD AND DRUG STANDARDS

By Dr. E. J. Cameron, Director, N.C.A. Washington Laboratory

It has been considered appropriate at this meeting to consider in an overall way, the question of Food and Drug standards as they apply to the canning industry. It falls to my lot to discuss briefly the activities of the Laboratory in the past to the present and to make some predictions for the future.

The question of standards for canned foods has been before the National Canners Association for a good many years—certainly as long ago as 1920 when certain commodity groups were actively engaged in a search for satisfactory standards for their products; a search which led to the passage of the McNary-Mapes amendment in 1930 to the then existing Food and Drug Act. Following this amendment, minimum standards of quality were promulgated for canned peas, peaches, tomatoes, apricots and cherries, and a standard of fill of container for canned foods was established. Most of the work leading to the announcement of these early standards was done by the Food and Drug Administration and the industry, through the Association, acted largely in an advisory capacity. Experience in the enforcement of the standards indicated the need for increased technical attention to the objective tests upon which the standards were based.

In 1935 and up to the passage of the Food, Drug and Cosmetic Act of 1938, the Laboratory collaborated with the Food and Drug Administration and undertook independent investigations, on a limited number of important products, principally peas, corn, green and wax beans and red pitted cherries. In 1937 and thereafter emphasis was placed upon investigation of the Tenderometer as a mechanical means of judging the maturity of peas. Most of you know the important utilization of this instrument in the industry today.

In discussing progress made in standard-making for canned foods under the provisions of the Act of 1938, it is emphasized that the standards for any product include (1) a definition and standard of identity, (2) a minimum standard of quality and, (3) a standard of fill of container. For any product, all three may be covered completely at a single hearing, or they may be considered separately. Where a product has been treated for but one of the three standards, as for example a standard of identity, the government may later call a hearing on a standard of quality or standard of fill of container for that product or the industry may petition for such a hearing.

Under the new food act, the first hearings were called in January, 1939 on canned tomatoes and four tomato products. Testimony was given on all three standards for tomatoes, but referred only to standards of identity for the four products. Later in the year there were hearings on standards of identity, quality and fill of container for four unmixed fruits and for canned peas. At about the same time there were Food and Drug hearings on standards of identity only, for about 40 unmixed vegetables and mixed vegetables. Subsequently, consideration of mixed vegetables was abandoned. From this point and until the end of the war, activity in standard making for canned foods lessened considerably and, so far as the Laboratory was concerned, applied principally to technical investigation in conjunction with the descriptive labeling program, the results of which might later apply when Federal standard making would be revived on a substantial scale.

The Laboratory gained a great deal of good experience in the period up to the beginning of the war which resulted in conclusions not only as to how a technical job on standards should be done, but how it should not be done. When one considers how active was the drive in the direction of canned food standards in the first half of 1939, it is logical to inquire as to the adequacy of the technical information upon which the standards were based—particularly in the case of the standards of quality. Obviously, there was little opportunity between the time of the passage of the act and the 1939 hearings to make anything like adequate surveys of the problems involved and when the time for hearings came both government and industry presented what technical information they happened to have, practically all of which was derived from studies done in connection with the McNary-Mapes standards. For the most part, the standards appear to have stood the test of time, but there are various indications that in regard to certain factors in the standards, there was need for a greater study. Possibly in some instances such study would have strengthened the conclusions which were reached.

Since the end of the war there is an obvious and logical disposition on the part of the Food and Drug Administration to fill in some of the gaps in the standards picture for the products which were earlier considered. In other words, where standards of identity only have been promulgated, consideration is being given to standards of quality and fill of container.

At the same time, revisions of identity standards may be made. Early in 1946 the Food and Drug Administration advised that work had been resumed looking toward adoption of quality standards for various canned vegetables and indicated that first attention would be given to green and wax beans. It outlined various points regarding factors in interest in its consideration of these commodities. A 3-day hearing was held in May, and a final order was promulgated in February of this year, which became effective on May 20. The order included not only a standard of quality but a revision of the earlier standards of identity.

In July of 1946 the Food and Drug Administration announced its plan to conduct field investigations on corn with a view to a 1947 hearing on standards. A meeting was held with the Food Standards Committee in March of this year to consider corn standards. Later, the Administration advised that a hearing on corn standards could not be held before the end of the 1947 corn pack.

In February of this year, notification was given that studies would be made by the Administration upon which would be based a proposal for a regulation to establish standards for canned asparagus.

From this short recital of recent events in the Standards field, you can visualize to a degree the impact that has been made upon the normal activities of the Laboratory. I use the term "normal" advisedly because our work on Food Standards is becoming, if it has not already done so, a normal function and one of primary importance.

At the beginning of 1946, our concept of what was in prospect came from a growing impression that the Food and Drug Administration would certainly increase its Standards work in some direction. When we learned that a green and wax bean hearing was likely, we made our plans for sampling from all of the important sections of the country and we solicited collaboration through an organization meeting which was held for the purpose of planning our campaign. Later, when we learned about the plans for a corn hearing, a similar course was pursued and we made plans for investigations by the Washington Laboratory. Thus, in 1946 we had work going on for two major products, plans for one of which came to a head through a hearing. Now, in 1947, the Laboratory is engaged in special work relating to the bean standards, it is presently active in collecting samples and organizing work in the various areas for asparagus, and it is faced with the resumption of the 1946 corn investigation on a scale at least as great. Laboratory work on samples will continue throughout the year and our course from there on can only be determined by intervening events.

The amount of direct laboratory investigation which has been and will be applied to beans and corn will, in my estimation, be substantially greater than the sum total of all work on standards during the McNary-Mapes period upon which was largely based the multitudinous standards which resulted from the 1939 hearings. In saying this, I am referring not only to the work of the N.C.A. Laboratories, but to the collaborative work of the various regional associations. This interest of regional groups emphasizes the fact that there is industry's recognition of the importance of Food and Drug standards.

We are gradually perfecting an organization for the Laboratory handling of standards for new products, and for amended standards for those which have previously received treatment. It is extremely difficult to plan for the work ahead because we can only guess what will be around the corner. We are convinced, however, that the staff must be extended somewhat and there must be financial provision for the necessary field work. Existing standards work has naturally displaced some of the projects which were planned for the Laboratory and we can't let such displacement go too far.

For the future, we can look forward to continuation of the recent trend and perhaps on an intensified basis. There will be a lot of waste motion and, from a research standpoint, disappointment in the character of tests that will be adopted for measurement for factors in the standards. In my opinion, this is not a research job, except in exceptional instances. It is a problem in the solution of which we deal with empirical manipulations of chemical or mechanical tests. Results are evaluated by people having a trained appreciation of canned food qualities. Whether it be a "service" or a "research" project however, we will have it for a good many years to come.

STATEMENTS OF PROCEDURE FOR CLAIMS

By F. F. Heaton, Director, N.C.A. Claims Division

The fundamental purpose of the Association's activities in the investigation of complaints and in contesting those which are believed to be unfounded and which result in a lawsuit, is to protect the integrity and reputation of canned foods generally. In attempting to carry out this purpose the Claims Committee has approved the following statements of policy and procedure applicable to the service rendered by this division:

The service covers complaints made by consumers involving canned foods packed by Association members. The term "canned foods" means foods packed primarily for human consumption in hermetically sealed metal or glass containers and sterilized by the use of heat. Cases involving products bearing the "Perishable" legend are not covered nor are cases involving products packed by nonmembers.

Only cases in which the accident date, or date of the incident forming the basis of the complaint, occurs subsequent to the packer's application for membership in the Association are covered. The service is available as long as the packer remains an Association member.

It is the established practice of the division to arrange for a thorough and prompt investigation of all cases involving alleged illness or injury and to recommend that unjustified claims be contested as vigorously as possible. If the investigation indicates that the complaint is made in good faith and is well-founded it is suggested that the packer authorize a reasonable settlement.

It is desirable to have only one investigation of any case and it is suggested that in so far as it is practicable members avoid having a separate investigation by another agency or by their own representatives. This tends to magnify the importance of the case from the claimant's viewpoint and to render the case more difficult to handle.

The Association assumes no responsibility for the outcome of a suit involving a member's product. The rules governing the service require the member to agree to assume responsibility for payment of the judgment in case of an adverse verdict, in all cases wherein the member whose product is involved requests the Association to engage counsel to handle the defense of a suit.

The service includes the employment by the Association of counsel to handle the defense of a suit involving the member's product, whether the suit is against the canner, the wholesaler or the retailer. In suits against wholesalers and retailers the canner's agreement to assume the responsibility should be conditioned upon full cooperation of the defendants and their employees.

If a suit against a wholesaler or retailer involves alleged illness or injury attributed to a member's product and in addition to another product or products not packed by that member, it is desirable that the member's agreement to assume the responsibility be limited so that it applies only in the event that it is established on the trial of the case that the illness or injury was caused by the member's product.

It is desirable that caution be exercised in regard to the assumption of re-

sponsibility in claims or suits brought against restaurants. In such cases the product involved is prepared and served to patrons by restaurant employees and the circumstances differ materially from the ordinary case in which the claimant purchases the product from a retail store and uses it in the home. In the restaurant case there is ample opportunity for the illness or injury to occur through the negligence of the restaurant owner or his employees, in which event the canner should be under no obligation to assume the liability.

Caution should also be exercised in the assumption of responsibility in cases where the canned food is opened by the retailer and sold in parcels to customers. Here again there is ample opportunity for the illness or injury to occur through the negligence of the retailer or his employees.

Before assuming responsibility in any case the member should be convinced the product involved was from his pack. In cases involving products sold under buyer's labels packers should insist that the buyer ascertain the code mark on the original can or at least state by what means the buyer determined that the product was packed by the canner who is requested to take over the handling of the case and assume the responsibility.

The Association's General Counsel are frequently consulted by the division's staff for advice on legal problems which arise in cases handled by the division, and by the Trustees in all cases involving a possible contribution from the Trust Indenture Fund.

REPORT OF THE N.C.A. INTERNATIONAL TRADE COMMITTEE

By George W. Foster, Chairman

Your International Trade Committee, at its meeting at N.C.A. headquarters on May 25th, received and reviewed the report of the director of the International Trade Service covering major activities of the past year.

As the result of its deliberations, your Committee respectfully recommends the continuance of the International Trade Service, and commends the excellent and comprehensive work of the Department.

Upon the basis of reports of what the Federal Government is thinking and doing on important current subjects—among which the projected Foreign Relief Program seems most prominent—your Committee also recommends that:

(A) Since U. S. Food Relief appropriations have been used to purchase limited commodities — mostly grains and cereals—composing a diet which has failed utterly more than barely to maintain the lives of hungry people abroad, the constructive plan would be to purchase a proper combination of foods calculated to restore and maintain physical fitness.

(B) While it may be true that the U. S. Government's recent problem has been "how to keep 'em alive longest and cheapest," a continuation of this philosophy of expediency cannot solve the problem of Europe's and Asia's economic recovery to the point where they can recreate their own productivity, earn their way back to self-sustainment and—from the American industrial point of view—provide a future market for all American products.

(C) The Government should use exportable foods that are immediately available and that comply with "maximum nutritional and caloric values at justifiable cost." Fuel shortages in the homes of Europe and the economy of packaged distribution further indicate the advantages of canned foods to relieve what obviously will be a prolonged emergency.

(D) Your Committee further recommends that N.C.A. continue such efforts as may be deemed appropriate to have canned foods included as an essential part of the Foreign Relief Program.

REPORT ON 1948 CONVENTION ARRANGEMENTS

By William Kinnaird, Chairman, N.C.A. Convention Committee

Secretary Campbell, along with the secretaries of the National Food Brokers Association and the Canning Machinery and Supplies Association, made a thorough study of 1948 convention facilities offered by eligible cities. New York City wants the convention but conceded its inability to furnish sufficient rooms for the 1948 meeting.

The Chicago Convention Bureau was willing to guarantee a total of 6500 rooms but investigations disclosed that approximately 40 percent of these rooms were in small hotels, many of which were a considerable distance from the Loop. Furthermore, Chicago would not permit the traditional procedure followed by N.C.A. and other associations of assigning their allotment of hotel rooms directly to members. Chicago was unwilling to furnish the associations with room numbers and would not permit the advance reservation procedure the membership seems to prefer.

Atlantic City is again able to furnish approximately 6700 rooms and will permit us to make the reservations of rooms and suites as we have always done.

Upon completion of the above findings, they were duly reported to the Executive Officers and on April 19 President Rutz announced, through the INFORMATION LETTER, that the 1948 Convention of the National Canners Association would be held the week of January 18, 1948, in Atlantic City. Secretary Campbell has obtained from the Atlantic City hotel managers an agreement to effect a room cost reduction for 1948. The hotel managers will cut down their number of high-bracket rooms and supplant this number with an increased number of lower-cost rooms.

Conferences with officials of the National Food Brokers Association have resulted in drawing the convention time of these two associations closer together. The broker-principal conferences will be started on Wednesday, January 14, rather than a week before the canners go into session, as was the case last year. These arrangements will remove some of the objections raised to last year's schedule and will still preserve the advantages gained by staggering the convention time of brokers and canners.

The Canning Machinery and Supplies Association will hold its convention and exhibit during the same week that N.C.A. is in session. The Executive Board of that organization is at present considering an earlier opening of the exhibit, but details have not yet been agreed upon.

The final detail of hotel allocations among the respective associations has not been completed. It is awaiting recapitulation of a report from the Atlantic City Convention Bureau listing all the available hotels with the full quota of rooms each has available, number of suites, rates, and other particulars. When this information is completely assembled, a tentative allocation of hotels among the participating associations will be made and will become final on complete agreement and accord among the associations.

Farm Employment Not Rising

There were 10,280,000 people at work on farms throughout the country on May 1, about the same as a year ago, the Bureau of Agricultural Economics reported this week. A late season and unfavorable weather were largely responsible for keeping farm employment at the 1946 level.

Belgian Catch in 1946

Fish landed at Belgian ports in 1946 totaled 69,694 metric tons, as compared with 45,604 tons in 1945, according to a report by the U. S. Department of Commerce.

Secretary of Commerce Harriman Tells Directors That There Is Little Chance of Relief Program Buying Canned Food Products

Secretary of Commerce W. Averell Harriman discussed the problem of "Food and World Recovery" before Tuesday's Luncheon Session of the Board of Directors. As a member of the Cabinet Food Committee, which is composed of Secretary of Agriculture Anderson, Under Secretary of State Clayton, and himself, Mr. Harriman described food conditions and prospects throughout the world. "Generally speaking, the outlook for grains is not too good, although conditions vary in different areas. Europe and Western Russia are in very bad shape and there have been crop failures in countries like Rumania that normally produced a surplus of food. England is having difficulty maintaining adequate rations for her people.

"In the year following the war, we thought we had done pretty well when we were able to ship almost 400,000,000 bushels of grain abroad. This year, that is from July, 1946 to July, 1947, we will have exceeded even our remarkable total of the previous year. We expect by this coming July to have shipped over 550,000,000 bushels of wheat or coarse grains like barley and corn. With our existing export controls we have been able to direct the wheat to those countries which are directly our responsibility and curtail shipments to those countries where the need was less and which were not directly in our charge. Next year, fortunately, the outlook is for an abundant crop. God has blessed us with eight years of plenty. If it had not been for that, the world today would be in a most desperate and serious situation."

No Canned Foods for Relief

Addressing himself to the direct concern of canners, Mr. Harriman said "I know that some of you men have been wondering whether our relief programs and the food shortage abroad would help you move some of your products which may have been backing up. *I don't believe that you can expect much help from that quarter as an immediate source of demand.* The reason is obvious. People abroad, in their difficulties, are thinking of food in terms of bare subsistence. What they want is all the calories they can get for as little cost as possible. That situation has created the overpowering demand for grains, fats and oils.

"Neither do I see much hope, frankly, for immediate expansion of commercial exports of canned products. You did, of course, have a somewhat greater export volume last year in some items than prewar. But, generally speaking, I think the world has got to return to a more normal situation before you can hope to reestablish and develop your export markets. Right now people abroad are looking for basic foods rather than specialty lines. They are attempting as much as possible to minimize their expenditures for food in order to conserve dollars for buying capital equipment and essential raw materials with which to get their factories going again.

"That does not mean that we may not export some canned goods. A certain amount of canned meat, for example, may go to shortage areas throughout the world. Dried foods too, including some dried fruits and vegetables, may find markets. But, generally speaking, I would be over optimistic if I gave you any other picture of the situation abroad."

Must Import More

In the long run, Mr. Harriman emphasized that the volume of American imports will have a vital influence on the volume of exports which American producers can hope to move abroad. Describing the present world trade situation, he stated, "Our exports last year ran about double our imports. This year the problem has become even more acute. In the first quarter of 1947 our exports of goods and services were at an annual rate of nineteen and one-half billion dollars. Our imports of goods and services on the other hand were at an annual rate of slightly more than seven and one-half billion dollars. This large gap between our exports and imports is to be expected in the present circumstances since the rest of the world has almost unlimited need of our products and is not yet in a position to ship us sizeable quantities of the things they make and grow. The gap is being financed at present by government and private gifts, loans, sale of foreign assets and the drawing down of dollar balances in this country.

"In the long run, however, there is little chance of maintaining our present level of exports unless we develop ways and means of consuming more of what foreign countries produce."

Mr. Harriman pointed out that at present levels of industrial production, the United States has greatly increased needs for imports of basic materials with which to supplement what we produce here at home. Such imports will help sustain our productivity, and will contribute toward bringing our trade relations with the rest of the world into better balance. "In addition," the Secretary said, "we will have to learn to use more of those things which are made abroad and which will add to the richness and variety of our standard of living.

Complete Balance Unnecessary

"Of course, it isn't essential that we come to a complete balance between our exports and imports because we will ultimately be an investor nation abroad," he stated. "There are great opportunities for American capital, technical skills and enterprise in all quarters of the globe in developmental projects. Our private overseas investments will help provide the raw materials that we ourselves need and will help raise the standard of living, and, thus, the market potentials of other countries.

"Through government loans and continued relief we must help put the world back on its feet in a reasonable period of time. We should recognize that it will be to our political and economic interest to do so. Help from us will aid in establishing the peace we fought for, and will also promote the recovery of our future world markets," Mr. Harriman said.

In discussing Germany's plight, Mr. Harriman emphasized that German economic recovery is essential not only to Germany but also to the other countries of Europe which formerly sold their goods in German markets and depended on purchases of German products. "We have now decided to go ahead and put Germany on a more self-supporting basis. We tried to work with the Russians in developing Germany on a unified basis, which would have been the sane thing to do. But since those efforts have failed, we have now gone ahead in cooperation with the British in our two zones.

"There has been a lot of worry about building up German industrial might again. However, we plan to demilitarize Germany but permit her to resume peaceful production. The facts are that unless we act, the

danger of widespread starvation is immediate."

Speaking of Russia, Mr. Harriman emphasized that there is considerable confusion about that country. In working for world reconstruction he stated that we can draw confidence from two facts—that Russia is a backward country industrially, and that our traditions of freedom are in line with the historic aspirations of mankind.

"Our present policies, our bipartisan policies, are headed in the right direction. If we follow them I believe we need have no fear of war. However, if we were to get soft—if we were to weaken our military establishment, and if we were no longer to take an interest in the Atlantic Charter and the United Nations, then there would be dangers.

"We do not want to interfere in other peoples' affairs, but it is very clear that we will injure our own interest and fail in our responsibilities to those people who look to us for leadership if we do not give them a helping hand in resisting threats to their freedom and the possible loss of their independence. If we stick to our principles and meet our opportunities with forthrightness, I am confident that we have nothing to fear," Mr. Harriman said.

AIMS AND PROVISIONS OF THE AGRICULTURAL RESEARCH AND MARKETING ACT OF 1946

C. W. Kitchen, Executive Vice President, United Fresh Fruit and Vegetable Association

The Flannagan-Hope Act, more formally known as the Agricultural Research and Marketing Act of 1946, is primarily a research act. It provides also for some service functions.

This Act applies to all agricultural commodities. The people that I am with, and you, are very much interested in fruits and vegetables. But we should think of this Act as applying to every agicultural commodity. It was approved August 14, 1946. There has been a great deal of interest aroused in it—the colleges, marketing groups, farm organizations. Many meetings have been held. Probably there has been too much talk about it. Too many people expect too much. When we get into the business of research it takes a long time to get very much done. As we entered the post-war era some felt that we wouldn't have any more trouble. No price support, no acreage, control, subsidies or such things. All problems could be solved through research.

I have no such idea and I am sure the men in Congress who handled this legislation had no such idea. But research can help and special sales promotions on seasonal surpluses can help. Before the Act could get started, it ran into an era of economy in Government expenditures, which of course, we all agree is overdue. The House Committee on Appropriations reported the agricultural bill out the other day. Many people are interested in that, because agriculture is an important part of our economy. This Act provided for this fiscal year an authorization of 19 million dollars to carry out its purposes. The Committee has recommended $6,000,000. In talking with a Committee member some weeks ago, he said he doubted if any funds should be appropriated this year because this is a new item and probably should be postponed. He said he doubted that the Department of Agriculture has a well-developed progam yet, and also expected that it will have difficulty in getting qualified men to carry on the kind of work contemplated by the Act. In recommending $6,000,000, the Committee now feels that the work is of such importance that a modest beginning should be made now.

Not Much New in Law

There is not much new in this law. It largely authorizes the expansion of work recognized a long time ago. When Abraham Lincoln signed the bill establishing the Department of Agriculture in 1862 it was recognized then that farmers were not organized, nor could they afford, to carry on the costly research that was necessary to develop agriculture on a scientific basis in this country. The Government decided in those early days it had a proper function to perform in that field.

After the Department of Agriculture was created, the Agricultural Experiment Stations were set up later to carry on scientific research. Then the Extension Service was established to show farmers how to apply the results of scientific research in their farming opeations.

Title I of this Act provides largely for the expansion of previously authorized work to increase the know-how of agricultural production. In the House Committee on Appropriations report, in justifying and pointing out the reason for such serious cuts this year in many of the so-called action programs, it stated that it was thought we should put more emphasis now in the original approach to problems of agriculture, namely one of research, to increase the efficiency of both production and marketing.

We know that agriculture is not organized to carry on research, as are many of our great industrial corporations. And just to point out what Congress had in mind in that respect the Declaration of Policy for Title I of this Act reads: "It is the intent of Congress to assure agriculture a position in research equal to that of industry, which will aid in maintaining an equitable balance between agriculture and other sections of our economy."

Congress recognized it takes time to get things done by research, so they set up a five-year program. Over a period of five years they authorized at the end of that time that there be $20,000,000 available for research in production; $15,000,000 for research in the utilization of farm products and to develop new uses of such products; and $6,000,000 for other types of research. This law provides also that the States shall match the amount put in by the Federal Government for certain types of work; it provides that the Department may cooperate with the States on other kinds of work; and then it contains a new provision which enables the Department of Agriculture when it finds it can get a better job done by making a contract with a private corporation or agency to do a piece of research, it may do that. The bill further directs the Secretary of Agriculture to see that there is no duplication as between State and Federal agencies, and if so, he must withhold the funds from the States where such duplication occurs. He must also report annually to Congress on cooperative projects carried on under the Act. We should keep in mind that Congress will review this program every year and an accounting must be made of expenditures.

Fine Work in Production

We have done very fine scientific work in production. We know how to produce better and more efficiently than any other nation of our size in the world, but I think we all agree that we still need to learn quite a bit more about marketing and distributing all that we are so capable of producing. Research work in marketing and distribution has lagged behind that in production, and we can surely find many new uses for Agricultural products.

Part II of the Act deals with marketing. I think that the big problem before us now, and in the years immediately ahead, is to market what we are able to produce. Such problems are likely to occupy the attention of Congress and all of us in the next four or five years. The present trend of Congressional thinking seems to be to rely on the market-place as the outlet for what we can produce and to

place in a more secondary role such matters as price support, subsidies, and devices of that kind. If we are to have a policy of abundance and plenty—and we all approve of such a policy—we must have markets for our abundance. We must have markets which will provide returns that will keep producers and distributors in business.

No Socialistic Scheme

Remarks have been made, so I am told, that this Act contains in it the seeds for some socialistic scheme for marketing farm products. Let me read one sentence from the Declaration of Policy for Part II which says: "The Congress hereby declares that a sound, efficient, and privately operated system for distributing and marketing agricultural products is essential to a prosperous agriculture and is indispensable to the maintenance of full employment and to the welfare, prosperity, and health of the Nation." Through research and study and experimentation the Congress says it wants to approach the problems of distributing and marketing in the same scientific manner as the problems of production have been approached. There is the same authority to cooperate with the States as in Title I, and the instruction also that existing facilities of the Department of Agriculture shall be used first as far as available. There is the same provision to contract for research.

The language of Part II is very broad, but Congress must review each year, and the Department must go to Congress each year to get funds to carry on.

Part II is broad enough to study every phase of marketing from the time the product leaves the farm until it reaches the consumer's table. It permits reseach in methods of processing in order to find better ways of doing them—preparation of products for marketing which would include such things as washing, cleaning, and packing apples and potatoes, ginning and baling cotton, or prizing tobacco.

Questions of packaging, such as numbers and sizes of cans, may have all been settled by the canning industry, but in the fresh fruit and vegetable industry they still present difficulties. There were about 700 different sizes, shapes, and kinds of containers in which to ship fresh fruits and vegetables some years ago. This number was worked down to about 200 in the freight tariffs. Finally, the WPB reduced the number to 68. Everybody got along pretty well during the war with 68. We are starting back again now to develop various kinds of packages. We are very much interested also in the matter of prepackaging fresh fruits and vegetables. We do not know where that should be done—whether it can be done before shipment or whether it should be done in distributing markets. Research, experimentation, and experience will provide the answer.

With regard to the question of transportation, we might well have a complete reexamination of railroad tariffs to bring out whether agriculture is paying more than industry for its transportation. Are there transportation policies which are discriminatory, or do barriers exist which retard development of transportation in the cheapest and most efficient form?

There is also the question of storage. There are things about temperatures upon productive research which might be undertaken. Have we all the information needed on handling costs? In our own industry, some of our wholesalers are interested in cost studies, from unloading the car through to delivery to retailers. Does it cost more in time to handle some commodities than others? What are the possibilities for further merchanization of warehouse operations?

Then there is the question of standards, which I shall not go into now. You are probably interested in the relation between grades for raw material and grades for finished products. These are a few things upon which research in marketing functions might be undertaken.

Part II of the Act provides a five-year program by the end of which $20,000,000 annually is authorized to be appropriated by Congress for carrying on work on marketing. Some may think that too much, but we haven't forgotten that the Government spent about $100,000,000 to maintain prices on potatoes alone in one year. Maybe a little more money spent on working out merchandising would save us in the long run. If we can save a dime a package either in production or marketing it is as good as a dime added to the price and is usually easier to get. I think we need to reexamine every step in our marketing operations to see if there are unnecessary costs or whether various gadgets have attached themselves to us that can be dispensed with.

Industry Has Research

Industry has its big research organizations. There are indications that industry is becoming more marketing-minded. Some of the leading merchandising and manufacturing companies have placed marketing-experienced men in positions of high responsibility. They are enlarging their marketing research departments and scrutinizing their advertising appropriations. They are collecting more information on selling costs. They are developing new merchandising methods.

Part III of the Act is very important. It provides that a National Advisory Committee will be set up to advise the Secretary of Agriculture, and I think that there also have been set up in the Department some 17 or 18 commodity or functional committees, some of which have met and made recommendations. These committees are very valuable. They make it possible for people outside the Government to sit down with the people in Government who are going to do the work, exchange views with them, tell them whether we think the things they want to do are worthwhile. I think that is fine for business people because they get the viewpoints of people in Government, and it is fine for people ni Government because they get the views of people in industry. It is a cooperative undertaking for the good of all. I believe we should be interested in cooperating with the Department on that basis because, after all, we are interested in getting the most for the taxpayer's dollar.

I believe in research, and I believe that certain services—statistical and price information—are proper functions of Government. When we think about government controls, and some of us wonder how far they might go if we should get into serious economic difficulties again, it seems to me that the best preventive medicine we can have is research, and using every means available to us to do a better job, or to show that we are doing such a good job that nothing else can take its place.

No Regulatory Authority

There is no new regulatory authority in this Act. There is no power to subpoena books and records. No citizen can be required to appear and testify. It is purely a voluntary measure. If the Department asks for your cooperation, and you don't want to extend cooperation, there is nothing they can do about it, except to work with those who do want to cooperate. If you have no need for any of the services provided by this Act, I would forget about it.

Some of my friends in other lines have asked me whether they should accept an invitation to serve on advisory committees. I told them that is a decision for them to make, but if they see no need for research in their groups, I would accept and serve anyway. They might render a valuable service by preventing the starting of projects that might be unproductive and unnecessary. That could be a valuable contribution itself. It is likely that the Department will have more requests for work than it will have funds with which to handle them.

Summers Firm Publicized

The May issue of *The Crown*, publication of the Crown Cork and Seal Co., Baltimore, Md., contains an article entitled "Year Round Packer," which describes the operation of the canning

firm of Charles G. Summers, Jr., Inc., New Freedom, Pa. The article describes the versatile type of pack and the many labor saving devices employed by the company.

Summer Program of N.C.A. Mobile Field Laboratory

Plans have been completed for the operation of the mobile field laboratories of the National Canners Association in the Midwest during the coming canning season. The products on which bacteriological surveys will be conducted and States and dates are as follows:

Products	*States*	*Approx. Dates*
Peas	Illinois and Wisconsin	June 23–Aug. 1
Corn	Iowa, Nebraska, Minnesota, and Indiana	Aug. 1–Sept. 15
Tomato Juice	Indiana	Aug. 15–Sept. 15

The surveys will consist of collecting one or more sets of samples at each plant and testing them for spoilage bacteria. If a spoilage hazard is found, help in clearing it up is given immediately by the N.C.A. laboratory technicians. These tests are conducted in the Association's mobile field laboratory, which will be located within the respective States, and N.C.A. field laboratory personnel will be available for consultation on any problem which may arise.

The bacteriological surveys are made only in cases where the member canner signifies a desire to have the work done. There is no charge for this service, since the cost of the work is covered by the Association dues. Sometime after the close of the pack, a complete survey report will be submitted to each canner. All reports, of course, are confidential between the canner and the Association.

As a rule, the necessary sampling can be done without interference with factory operation. It is sometimes necessary, however, to solicit the aid of the plant superintendent or someone delegated by him to have samples taken at a particular time and held for collection by a member of the laboratory staff.

If any member canner packing the products under survey in the areas indicated has not received notice of the survey and desires the service, he should contact the Association's Washington Laboratory immediately.

Exact locations of the mobile field laboratory will be reported in subsequent issues of the INFORMATION LETTER.

Oregon Bulletins Issued

Four new bulletins published by the Oregon Agricultural Experiment Station contain information of special interest to fruit canners in the northwest. They are Station Bulletin No. 442, "Strawberry Production in Oregon"; Station Bulletin No. 443, "Raspberry Culture in Oregon"; Station Bulletin 441, "Culture of Trailing Berries in Oregon"; and Station Bulletin 438, "A Method of Topworking Pear Trees for Early Maximum Production and for Reducing Stony Pit Losses."

Copies of these publications may be obtained by writing direct to the Agricultural Experiment Station at Corvallis, Oregon.

Rust-resistant Pinto Beans

Seed of Pinto No. 5 and Pinto No. 14 field beans are being increased in cooperation with the Colorado Agricultural Experiment Station for general distribution in 1947, according to the Agricultural Research Administration. These strains are acceptable commercial types and are resistant to about 22 of the 24 known forms of bean rust.

In field tests in northeastern Colorado where rust was widespread in 1945, these new lines yielded 1,000 to 1,200 pounds more per acre than susceptible commercial pinto varieties. These rust-resistant lines, when available to everyone, will make sulfur dusting for the control of rust unnecessary, an operation that costs $1.50 to $4.50 per acre.

Ozark and Texas Canners to Hold Technicians School

The Ozark Canners Association has announced a special two weeks course for canning industry technicians to be held at Fayetteville, Ark., June 23 to July 3. The Ozark Canners Association has invited canners in Texas also to enroll for the instruction. The first week will be for instruction in the examination of canned spinach. The second week, June 30 to July 3, will be devoted to the mold count on tomato products.

The instruction will be under the direction of the Washington Laboratory of the National Canners Association, with the assistance of representatives of the American, Continental, and Heekin Can Companies.

All inquiries should be addressed to Mr. F. R. Spurgin, Secretary of the Ozark Canners Association, Fayetteville, Ark.

TABLE OF CONTENTS

PAGE

Committee Appointments 263

Board of Directors

Board meeting centers around increased N.C.A. activities 263
Opening remarks to the N.C.A. board of directors 265
Past president Fred A. Stare presented engrossed scroll 265

Committee Reports

Plan for expanding home economics division work 266
Program for improving canner-grower relations 267
Report of fishery products committee meeting 268
Report of division of statistics program 269
Discussion of label allowances 270
Report of the committee on scientific research 271
Laboratory participation in the development of food and drug standards 272
Statements of procedure for claims 273
Report of the N.C.A. international trade committee 274
Report on 1948 convention arrangements 274

Addresses

Secretary of Commerce Harriman tells directors that there is little chance of relief program buying canned food products 275
Aims and provisions of the agricultural research and marketing act of 1946 276

Labor

Farm employment not rising 274

Fisheries

Belgian catch in 1946 274

Promotion

Summers firm publicized 277

Laboratories

Summer program of N.C.A. mobile field laboratory 278
Ozark and Texas canners to hold technicians school 278

Raw Products

Oregon bulletins issued 278
Rust-resistant pinto beans 278